Grain Transportation Report

A weekly publication of the
Transportation and Marketing Programs/Transportation Services Branch
www.ams.usda.gov/tmdtsb/grain

Contact Us

August 10, 2006

Contents

The next release is Aug. 17, ’06

WEEKLY HIGHLIGHTS

U.S. Average Diesel Fuel Prices Surpass $3

Diesel fuel prices for the week ending August 7 were $3.06 per gallon—2.5 percent above the previous week and 27 percent above the same week in 2005. Diesel fuel prices have not surpassed $3 per gallon since October 2005, when prices were responding to fuel shortages caused by Hurricanes Katrina and Rita.

Ocean Rate Spread Remains Stable

As of August 8, ocean rates for shipping grains to Japan were $43.53 per metric ton (mt) from the U.S Gulf and $32.06 from the PNW. Although the spread remains relatively stable at $11.48 per mt, the Gulf rate increased 5 percent and the PNW rate 7 percent compared to a week earlier. Despite the increase in PNW rates over the Gulf, the current spread and market conditions favor the PNW for exports at the present.

Grain Inspections Up Significantly From Previous Week

For the week ending August 3, total **grain inspections** at all ports increased 29 percent from the previous week due to higher wheat and soybean inspections. Weekly inspections rose 49 percent in the PNW, 11 percent in the Mississippi Gulf and 44 percent in the Texas Gulf.

What Happens To Grain Export Balances at the End of The Crop Year?

Current **corn and soybean export** commitments are 1.7 million metric tons (mmt) and 1.1 mmt higher than the July USDA export estimate, respectively. With a few weeks remaining in the marketing year ending August 31, **unshipped balances** will be carried over into the next crop year's projected exports. Past carryover export sales: 2004/05 – corn 2.25 mmt, soybeans 0.6 mmt; 2003/04 – corn 1.6 mmt, soybeans 0.3 mmt.

Heavy Rains Flood Rail Lines in El Paso, Texas Region

Heavy rains flooded BNSF and Union Pacific (UP) tracks in the El Paso region on August 1. On August 3, expectations of a possible breech of an earthen dam in Juarez, Mexico led authorities to issue a mandatory evacuation order for downtown El Paso, which includes both BNSF and UP yards. The evacuation order was lifted at 3 p.m. on August 4. Although normal service was restored by August 7, customers may experience delays up to 48 hours on traffic moving through this corridor.

Nearby Secondary Rail Rates Strengthen…

Although U.S. wheat production is down, harvest is drawing to a close, and grain storage is available, **secondary rail** rates for September rebounded during the week ending August 5. This rebound can be attributed in part to an increase in world wheat prices resulting from a shortage of milling-grade wheat (increasing quantities of German and French wheat have declined to feed grade quality). As a result, U.S. wheat has become more attractive and the demand for and transportation of U.S. wheat has risen.

…As Trading Activity for November/December Secondary Rail Car Market Remains Slow

Meanwhile, trading activity has been slow due to uncertainty regarding 2006/07 corn and soybean crop production and amounts of grain that will be transported in November and December. Activity is expected to pick up soon depending on when producers decide to sell.

2nd Quarter Transport Costs Fall for Brazilian Soybean Exports

Total **Brazilian transportation costs** were 5-17 percent lower in the 2nd quarter than the same period last year. Costs fell because of a drop in ocean rates in Brazil, an increase in the number of vessels available, and soybean producers holding back shipments in hopes for higher prices.

Feature Article/Calendar

Aug. 22-24, '06	3rd Annual Midwest Specialty Grains Conference and Trade Show	Bloomington, MN	612-252-1453
Aug. 28-29, '06	Feed Industry Outlook and Symposium	Minneapolis, MN	651-635-9157
Aug. 30, '06	Farm to Fuel Summit	Orlando, FL	800-843-6664
Sep. 6-8, '06	National Waterways Conference, Inc.	Portland, OR	703-243-4090
Sep. 10-11, '06	NGFA Board of Directors Meeting	Santa Fe, NM	202 289-0873
Sep. 10-15, '06	AAPA 2006 Annual Convention	New Orleans, LA	866-276-3566
Sep. 12-14, '06	International Distillers Grains Conference	Minneapolis, MN	719-539-0300
Sep. 13, '06	2006 North American Railroads Customer Forum	St. Louis, MO	202-639-2307
Sep. 17-20, '06	World Grain Summit: Foods and Beverages	San Francisco, CA	651-454-7250
Sep. 20-22, '06	North East Association of Rail Shippers Conference	Lake Harmony, PA	207-252-0343
Sep. 23-27, '06	Intermodal Association of North America 60th Annual Forum and Exhibition	Memphis, TN	703-751-5011
Oct. 10-12, '06	Advancing Renewable Energy Conference	St. Louis, MO	202-720-4623
Oct. 10-13, '06	Contracting U.S. Soybeans and Harvest Tour	Fargo, ND	701-231-7736
Oct. 11-13, '06	American Waterways Operators Fall Convention	Seattle, WA	206-262-7308
Oct. 14-17, '06	Atlantic Seed Association Annual Meeting	Toronto, Canada	240-631-6946
Oct. 18-20, '06	Waterways Symposium	Nashville, TN	703-373-2261
Nov. 4-7, '06	Western Seed Association Meeting and ASTA Farm and Lawn Seed Meeting	Kansas City, MO	703-837-8140
Nov. 10-15, '06	TransComp 2006 Annual Meeting	Ft. Lauderdale, FL	703-524-5011

Grain Transportation Indicators

Table 1

Grain Transport Cost Indicators[1]

Week ending	Truck	Rail[2]	Barge	Ocean: Gulf	Ocean: Pacific
08/09/06	205	242	318	195	227
08/02/06	200	185	277	185	213

[1]Indicator: Base year 2000 = 100; Weekly updates include truck = diesel ($/gallon); rail = nearby secondary rail market ($/car); barge = spot Illinois River basis (index = percent of tariff rate); and ocean = routes to Japan ($/metric ton)

[2]The rail indicator is not an index. It is the difference between the nearby secondary rail market bid for this week and the average bid for year 2000 (+) 100.

Source: Transportation & Marketing Programs/AMS/USDA

Table 2

Market Update: U.S. Origins to Export Position Price Spreads ($/bushel)

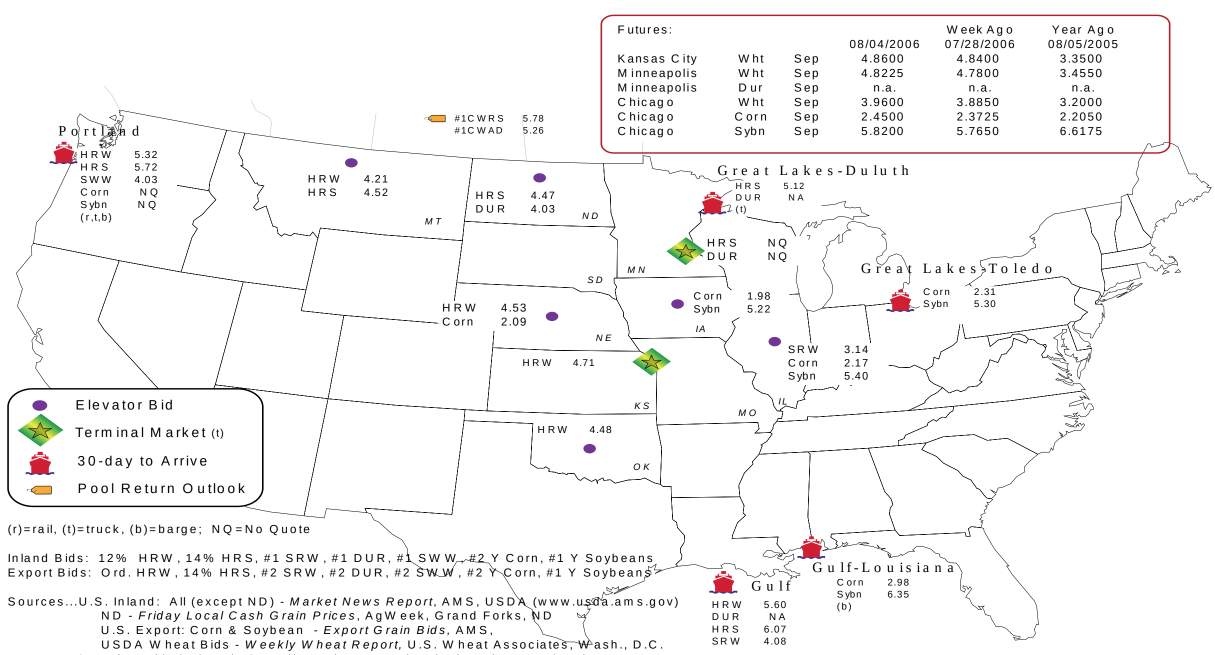
Commodity	Origin--Destination	8/4/2006	7/28/2006
Corn	IL--Gulf	-0.81	-0.74
Corn	NE--Gulf	-0.89	-0.88
Soybean	IA--Gulf	-1.13	-1.07
HRW	KS--Gulf	-0.89	n/a
HRS	ND--Portland	-1.25	n/a

Note: nq = no quote
Source: Transportation & Marketing Programs/AMS/USDA

The **grain bid summary** illustrates the market relationships for commodities. Positive and negative adjustments in differential between terminal and futures markets, and the relationship to inland market points, are indicators of changes in fundamental market supply and demand. The map may be used to monitor market and time differentials.

Figure 1

Grain bid summary



Rail Transportation

Table 3
Rail Deliveries to Port (carloads)[1]

Week ending	Mississippi Gulf [2]	Texas Gulf	Cross-Border Mexico	Pacific Northwest	Atlantic & East Gulf	Total
8/2/2006[p]	1,538	982	448	4,602	471	8,041
7/26/2006[r]	1,799	1,275	640	3,654	302	7,670
2006 YTD	47,334	62,965	26,613	126,035	13,538	276,485
2005 YTD	27,462	52,885	38,677	130,698	7,879	257,601
2006 YTD as % of 2005 YTD	172	119	69	96	172	107
Last 4 weeks as % of 2005 [3]	497	63	71	123	442	119
Last 4 weeks as % of 4-year avg.[3]	n/a	73	84	159	256	n/a
Total 2005	50,696	99,079	61,151	224,079	15,690	450,695
Total 2004	41,957	93,500	58,843	208,334	10,957	407,143

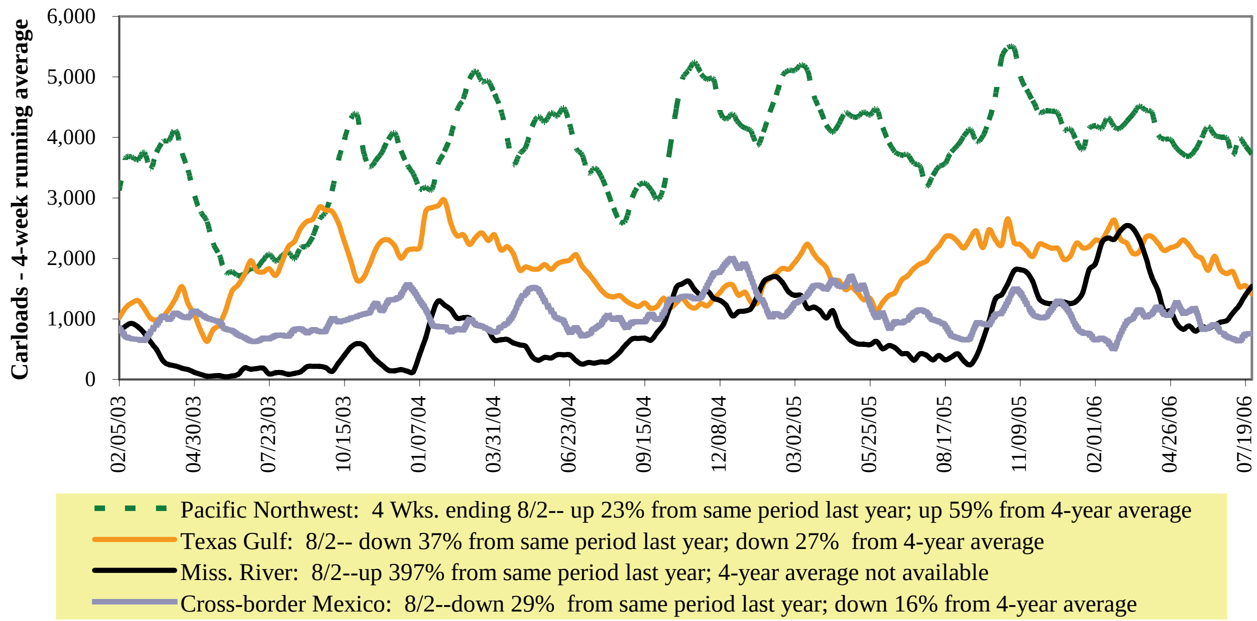
[1] Data is incomplete as it is voluntarily provided; [2] Mississippi Gulf data back to January, 2004 from several new sources has been added resulting in large increases in the numbers reported; [3] Compared with same 4-weeks in 2005 and prior 4-year average; [4] Includes 53rd week.

YTD = year-to-date; p = preliminary data; r = revised data; n/a = not available

Source: Transportation & Marketing Programs/AMS/USDA

Railroads originate approximately 33 percent of U.S. grain shipments. Trends in these loadings are indicative of market conditions and expectations.

Figure 2
Rail Deliveries to Port



Source: Transportation & Marketing Programs/AMS/USDA

Table 4

Class I Rail Carrier Grain Car Bulletin (grain carloads originated)

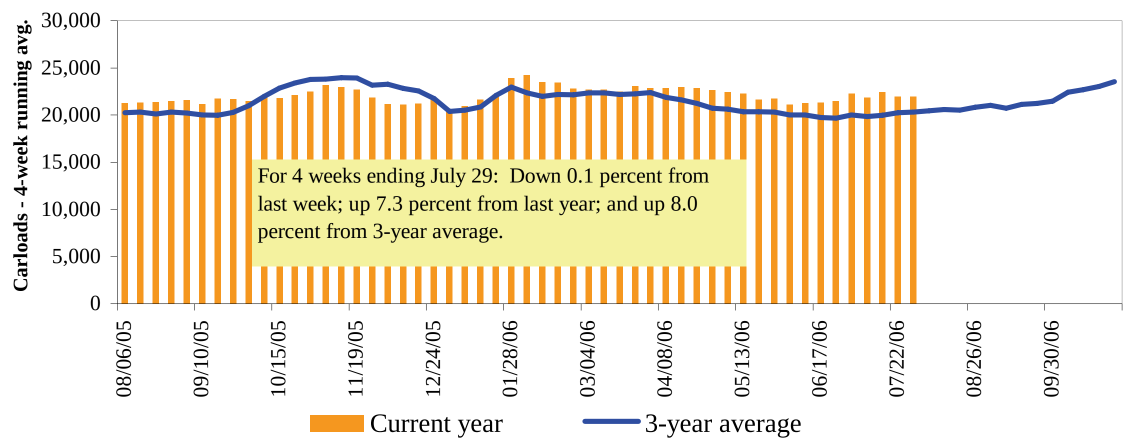
Week ending	East		West			U.S. total	Canada	
	CSXT	NS	BNSF	KCS	UP		CN	CP
07/29/06	3,508	3,305	9,469	593	5,591	22,466	4,840	4,334
This week last year	2,798	3,204	9,702	568	5,590	21,862	3,440	3,846
2006 YTD	92,890	97,104	290,827	17,141	177,577	675,539	141,573	130,896
2005 YTD	89,220	98,782	271,295	17,507	178,222	655,026	123,344	119,375
2006 YTD as % of 2005 YTD	104	98	107	98	100	103	115	110
Last 4 weeks as % of 2005[1]	113	111	113	102	95	107	130	109
Last 4 weeks as % of 3-yr avg.[1]	118	102	123	103	89	108	120	104
Total 2005	152,060	167,465	476,033	27,459	307,170	1,130,187	225,817	215,145

[1]As a percent of the same period in 2005 and the prior 3-year average. YTD = year-to-date.

Source: Association of American Railroads (www.aar.org)

Figure 3

Total Weekly U.S. Class I Railroad Grain Car Loadings



Source: Association of American Railroads

Table 5

Rail Car Auction Offerings[1] ($/car)[2]

Week ending 8/5/2006	Delivery period									
	Aug-06	Aug-05	Sep-06	Sep-05	Oct-06	Oct-05	Nov-06	Nov-05	Dec-06	Dec-05
BNSF[3]										
COT grain units	no offer	n/a	no offer	no offer	no offer	no offer	no offer	363	no offer	n/a
COT grain single-car[5]	no offer	n/a	no offer	n/a	2..20	n/a	0..7	n/a	0..3	n/a
UP[4]										
GCAS/Region 1	no offer	n/a	no offer	no offer	232	124	no offer	no offer	no offer	n/a
GCAS/Region 2	no offer	n/a	no offer	no offer	357	358	no offer	no offer	no offer	n/a

[1]Auction offerings are for single-car and unit train shipments only.

[2]Average premium/discount to tariff, last auction

[3]BNSF - COT = Certificate of Transportation; N. grain and S. grain bids were combined effective the week ending 6/24/06.

[4]UP - GCAS = Grain Car Allocation System

Region 1 includes: AR, IL, LA, MO, NM, OK, TX, WI, and Duluth, MN.

Region 2 includes: CO, IA, KS, MN, NE, WY, and Kansas City and St. Joseph, MO.

[5]Range is shown because average is not available. Not available = n/a.

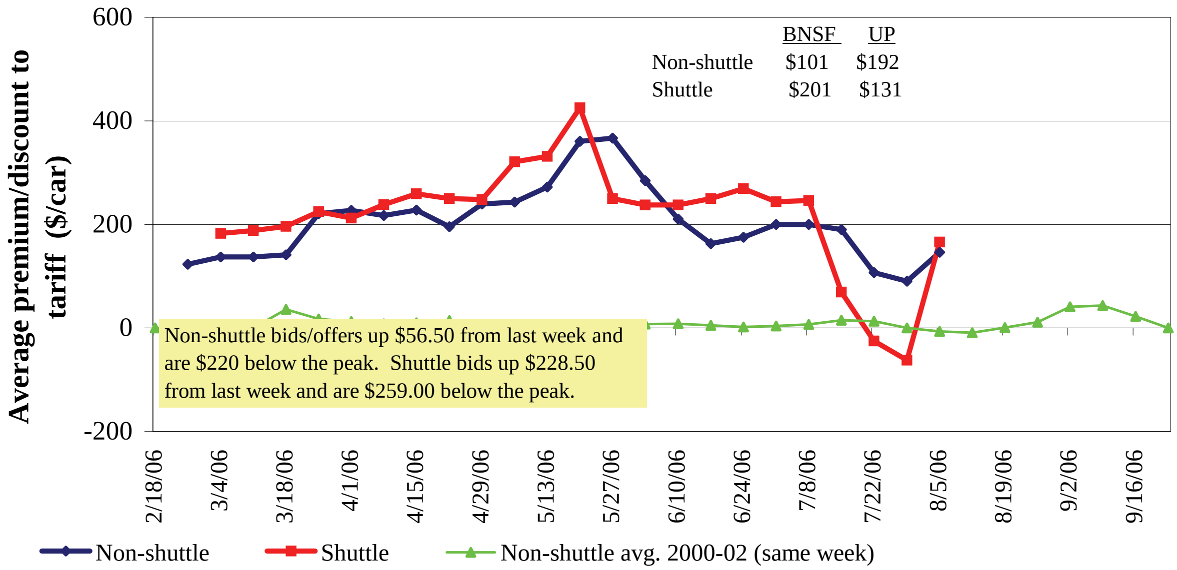
Source: Transportation & Marketing Programs/AMS/USDA. n/a = not applicable

Rail service may be ordered directly from the railroad via **auction** for guaranteed service, or via tariff for nonguaranteed service, or through the secondary railcar market.

The **secondary rail market** information reflects trade values for service that was originally purchased from the railroad carrier as some form of guaranteed freight. The **auction and secondary rail** values are indicators of rail service quality and demand/supply.

Figure 4

Bids/Offers for Railcars to be Delivered in September 2006, Secondary Market

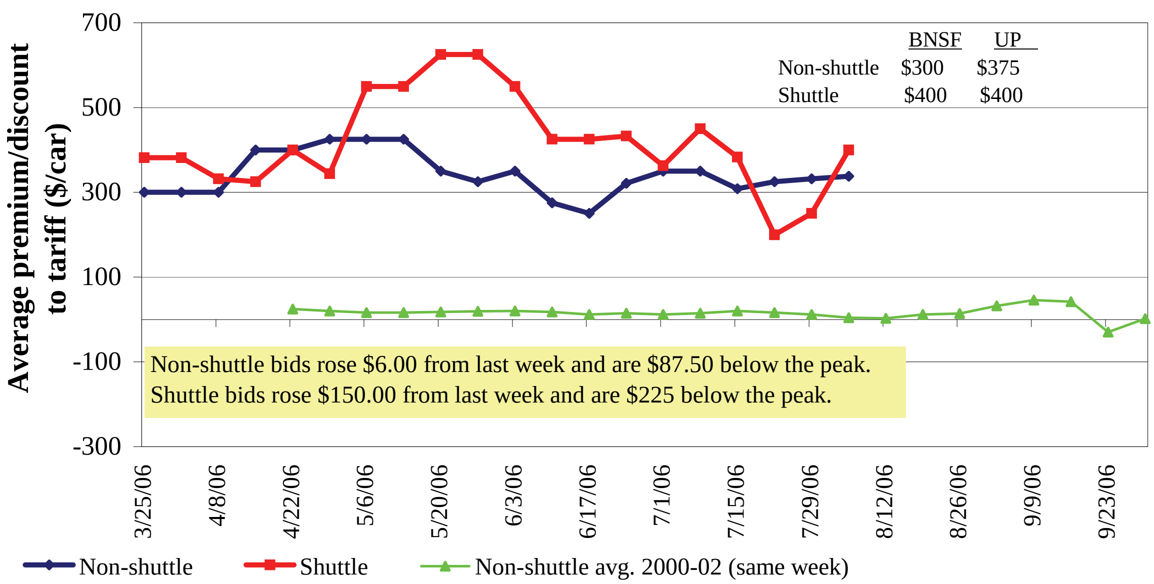


Non-shuttle bids include unit-train and single-car bids.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 5

Bids/Offers for Railcars to be Delivered in October 2006, Secondary Market

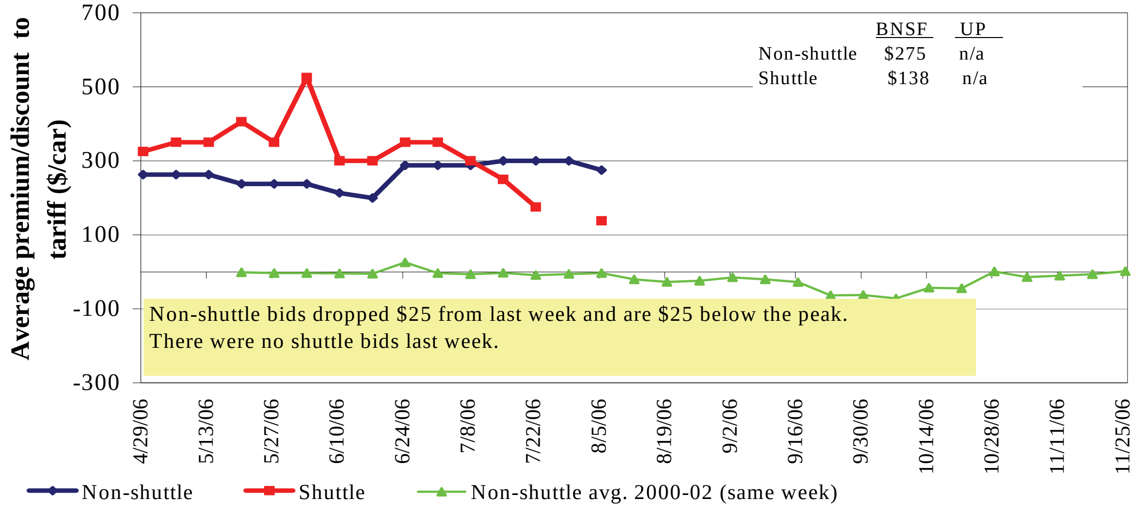


Non-shuttle bids include unit-train and single-car bids.

Source: Transportation & Marketing Programs/AMS/USDA

Figure 6

Bids/Offers for Railcars to be Delivered in November 2006, Secondary Market



Non-shuttle bids include unit-train and single-car bids.

Source: Transportation & Marketing Programs/AMS/USDA

Table 6

Weekly Secondary Rail Car Market ($/car)[1]

Week ending	Delivery period					
8/5/2006	Sep-06	Oct-06	Nov-06	Dec-06	Jan-07	Feb-07
Non-shuttle						
BNSF-GF	101	300	275	250	n/a	n/a
Change from last week	59	-25	-25	-50	n/a	n/a
Change from same week 2005	-262	-50	-25	-50	n/a	n/a
UP-Pool	192	375	n/a	n/a	n/a	n/a
Change from last week	54	37	n/a	n/a	n/a	n/a
Change from same week 2005	-93	54	n/a	n/a	n/a	n/a
Shuttle[2]						
BNSF-GF	201	400	138	n/a	n/a	n/a
Change from last week	276	150	n/a	n/a	n/a	n/a
Change from same week 2005	n/a	n/a	n/a	n/a	n/a	n/a
UP-Pool	131	400	n/a	n/a	n/a	n/a
Change from last week	181	n/a	n/a	n/a	n/a	n/a
Change from same week 2005	n/a	n/a	n/a	n/a	n/a	n/a

[1]Average premium/discount to tariff, $/car-last week

[2]Shuttle bids are a new data series; prior to this we provided only non-shuttle rates.

Note: Bids listed are market INDICATORS only & are NOT guaranteed prices,
Missing value = n/a; GF = guaranteed freight; Pool = guaranteed pool

Sources: Transportation and Marketing Programs/AMS/USDA

Data from Atwood/ConAgra, Harvest States Co-op, James B. Joiner Co., Tradewest Brokerage Co.

Table 7

Tariff Rail Rates for Unit and Shuttle Train Shipments[1]

Effective date: 8/7/2006	Origin region	Destination region	Rate/car	As % of same month last year	Rate per metric ton	Rate per bushel[2]
Unit train[1]						
Wheat	Chicago, IL	Albany, NY	$1,861	100	$20.51	$0.56
	Kansas City, MO	Galveston, TX	$2,120	105	$23.37	$0.64
	South Central, KS	Galveston, TX	$2,550	104	$28.11	$0.77
	Minneapolis, MN	Houston, TX	$3,020	125	$33.29	$0.91
	St. Louis, MO	Houston, TX	$2,460	104	$27.12	$0.74
	South Central, ND	Houston, TX	$4,349	116	$47.94	$1.30
	Minneapolis, MN	Portland, OR	$3,840	91	$42.33	$1.15
	South Central, ND	Portland, OR	$3,840	91	$42.33	$1.15
	Northwest, KS	Portland, OR	$4,490	102	$49.49	$1.35
	Chicago, IL	Richmond, VA	$2,161	108	$23.82	$0.65
Corn	Chicago, IL	Baton Rouge, LA	$2,610	104	$28.77	$0.73
	Council Bluffs, IA	Baton Rouge, LA	$2,470	104	$27.23	$0.69
	Kansas City, MO	Dalhart, TX	$2,365	120	$26.07	$0.66
	Minneapolis, MN	Portland, OR	$3,200	89	$35.27	$0.90
	Evansville, IN	Raleigh, NC	$1,961	109	$21.62	$0.55
	Columbus, OH	Raleigh, NC	$1,850	109	$20.39	$0.52
	Council Bluffs, IA	Stockton, CA	$3,606	100	$39.75	$1.01
Soybeans	Chicago, IL	Baton Rouge, LA	$2,655	108	$29.27	$0.80
	Council Bluffs, IA	Baton Rouge, LA	$2,515	109	$27.72	$0.75
	Minneapolis, MN	Portland, OR	$3,610	100	$39.79	$1.08
	Evansville, IN	Raleigh, NC	$1,961	109	$21.62	$0.59
	Chicago, IL	Raleigh, NC	$2,561	107	$28.23	$0.77
Shuttle train[1]						
Wheat	St. Louis, MO	Houston, TX	$1,920	105	$21.16	$0.58
	Minneapolis, MN	Portland, OR	$3,640	93	$40.12	$1.09
Corn	Fremont, NE	Houston, TX	$2,196	82	$24.21	$0.61
	Minneapolis, MN	Portland, OR	$3,096	90	$34.13	$0.87
Soybeans	Council Bluffs, IA	Houston, TX	$2,412	87	$26.59	$0.72
	Minneapolis, MN	Portland, OR	$3,170	93	$34.94	$0.95

[1]A unit train refers to shipments of at least 52 cars. Shuttle train rates are available for qualified shipments of more than 100 cars that meet railroad efficiency requirements.

[2]Approximate load per car = 100 short tons: corn 56 lbs./bu., wheat & soybeans 60 lbs./bu.

Sources: www.bnsf.com, www.cpr.ca, www.csx.com, www.uprr.com

Table 8

Tariff Rail Rates for U.S. Bulk Grain Shipments to U.S.-Mexico Border Crossings

Effective date: 08/07/06							
Commodity	Origin state	Border crossing region	Train size[1]	Tariff rate[2]	As % of same month last year	Rate per metric ton	Rate per bushel[3]
Wheat	KS	Brownsville, TX	Shuttle	$2,959	104	$30.23	$0.82
	ND	Eagle Pass, TX	Unit	$4,474	83	$45.71	$1.24
	OK	El Paso, TX	Shuttle	$2,235	99	$22.84	$0.62
	OK	El Paso, TX	Unit	$2,540	104	$25.95	$0.71
	AR	Laredo, TX	Unit	$2,600	109	$26.57	$0.72
	IL	Laredo, TX	Unit	$3,405	107	$34.79	$0.95
	MT	Laredo, TX	Shuttle	$3,980	93	$40.67	$1.11
	TX	Laredo, TX	Shuttle	$2,274	105	$23.23	$0.63
	MO	Laredo, TX	Shuttle	$2,840	104	$29.02	$0.79
	WI	Laredo, TX	Unit	$3,623	106	$37.02	$1.01
Corn	NE	Brownsville, TX	Shuttle	$3,543	114	$36.20	$0.92
	NE	Brownsville, TX	Unit	$3,623[4]	99	$37.02	$0.94
	IA	Eagle Pass, TX	Unit	$3,773	113	$38.55	$0.98
	MO	Eagle Pass, TX	Shuttle	$3,364[4]	111	$34.37	$0.87
	NE	Eagle Pass, TX	Shuttle	$3,764[4]	109	$38.46	$0.98
	IA	Laredo, TX	Shuttle	$3,696	113	$37.76	$0.96
Soybean	IA	Brownsville, TX	Shuttle	$3,318	115	$33.90	$0.92
	MN	Brownsville, TX	Shuttle	$3,614	114	$36.93	$1.00
	NE	Brownsville, TX	Shuttle	$3,127	116	$31.95	$0.87
	NE	Eagle Pass, TX	Shuttle	$3,203	116	$32.73	$0.89
	IA	Laredo, TX	Unit	$3,357	115	$34.30	$0.93

[1]A unit train refers to shipments of at least 52 cars. Shuttle train are available for qualified shipments of more than 100 cars that meet railroad efficiency requirements.

[2]Rates are based upon published tariff rates for high-capacity rail cars.

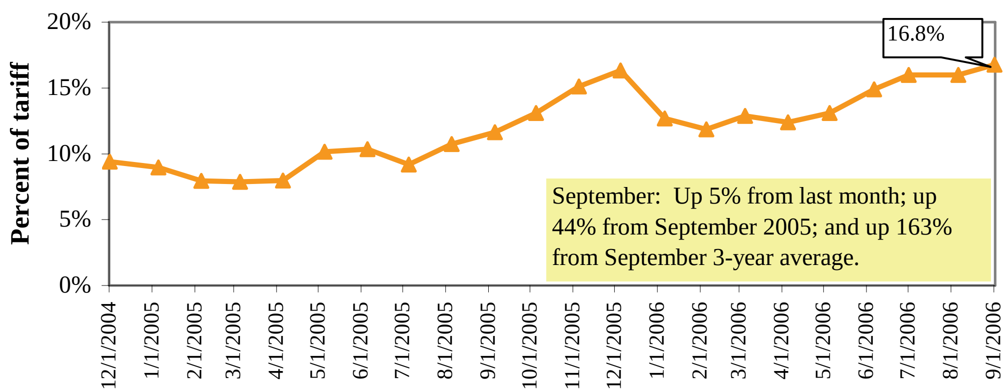
[3]Approximate load per car = 97.87 metric tons: Corn 56 lbs/bu, Wheat & Soybeans 60 lbs/bu

[4]High-capacity rate not available, rate estimated using published low-capacity tariff rate x 1.08

Sources: www.bnsf.com, www.uprr.com

Figure 7.

Railroad Fuel Surcharges, North American Weighted Average[1]



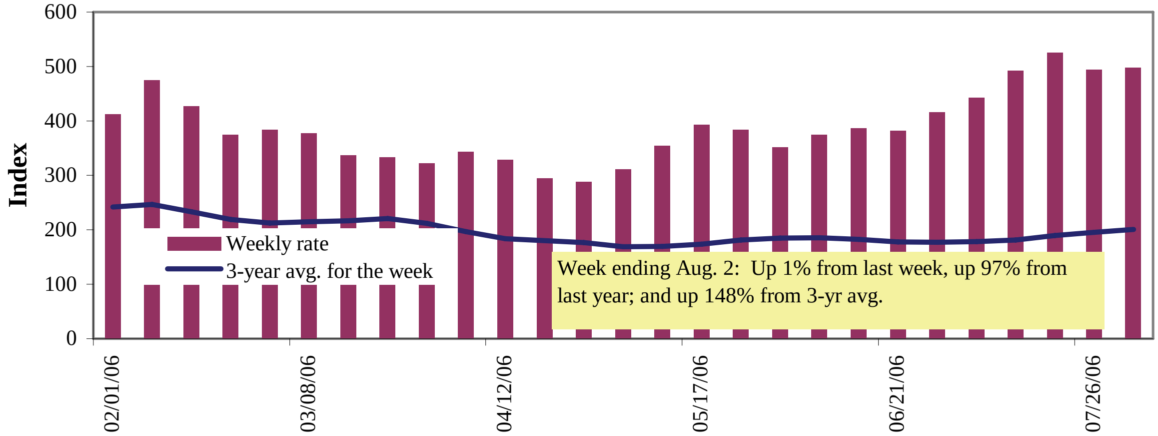
[1] Weighted by each Class I railroad's proportion of grain traffic for the prior year.

Sources: www.bnsf.com, www.cn.ca, www8.cpr.ca, www.csx.com, www.kcsi.com, www.nscorp.com, www.uprr.com

Barge Transportation

Figure 8

Illinois River Barge Rate Index - Quotes[1,2]



[1] Index = percent of tariff rate; [2]4-week moving average for the 3-year average

Source: Transportation & Marketing Programs/AMS/USDA

Table 9

Weekly Barge Rate Quotes: Southbound Barge Freight

		Twin Cities	Mid-Mississippi	Illinois River	St. Louis	Cincinnati	Lower Ohio	Cairo-Memphis
Index[1]	8/2/2006	602	522	498	490	460	463	466
	7/26/2006	594	509	495	469	467	467	456
$/ton	8/2/2006	37.26	27.77	23.11	19.55	21.57	18.71	14.63
	7/26/2006	36.77	27.08	22.97	18.71	21.90	18.87	14.32
Current week % change from the same week:								
	Last year	82	91	97	107	110	110	107
	3-year avg. [2]	137	146	148	194	176	176	202
Index	August	645	626	623	637	635	635	636
	October	601	554	536	507	534	534	491

[1]Index = percent of tariff, based on 1976 tariff benchmark rate; [2]4-week moving average.

Source: Transportation & Marketing Programs/AMS/USDA

Calculating barge rate per ton:
(Index * 1976 tariff benchmark rate per ton)/100

Select applicable index from market quotes included in tables on this page. The 1976 benchmark rates per ton are provided in map (see figure 9).

Note: The Illinois barge rate is for Beardstown, IL, La Grange Lock & Dam (L&D 8). The index, along with rate quotes and futures market bids are indicators of grain transport supply and demand.

Figure 9

Benchmark tariff rates

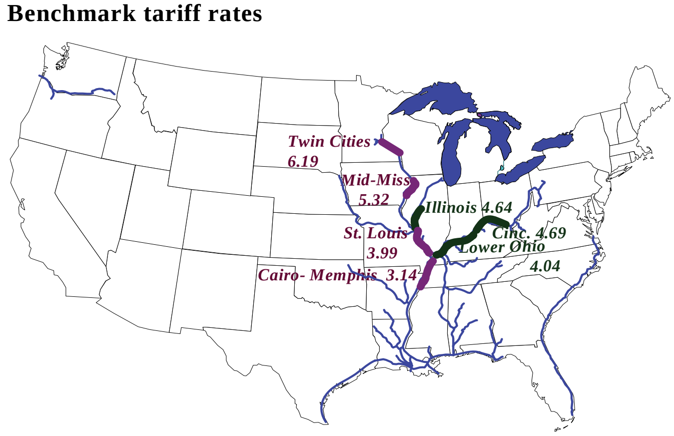
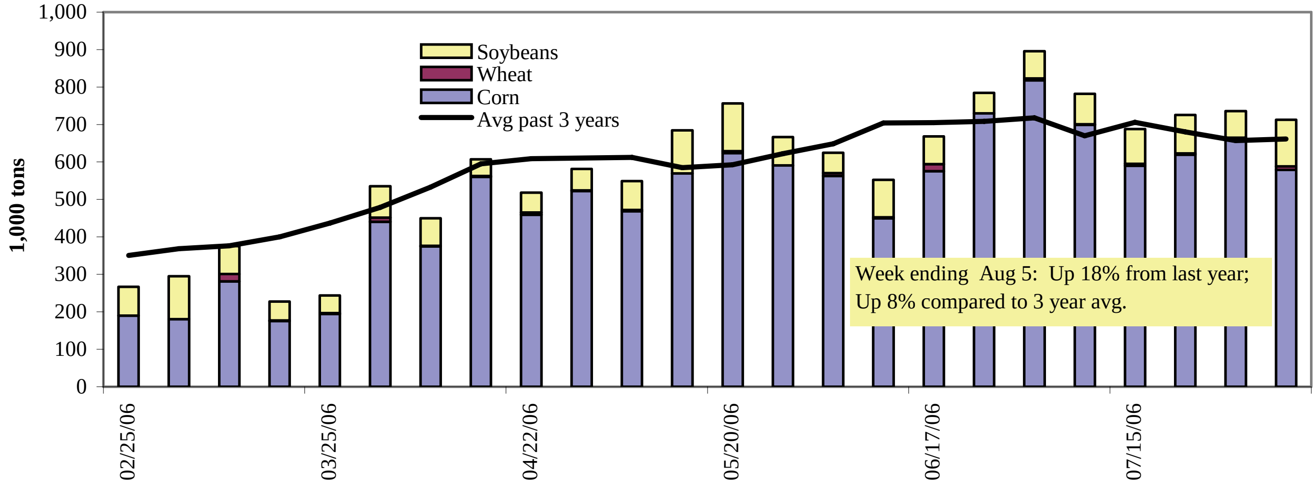


Figure 10

Barge Movements on the Mississippi River[1] (Locks 27 - Granite City, IL)



[1] The 3-year average is a 4-week moving average.

Source: Transportation & Marketing Programs/AMS/USDA

Table 10

Barge Grain Movements (1,000 tons)

Week ending 8/5/2006	Corn	Wheat	Soybean	Other	Total
Mississippi River					
Rock Island, IL (L15)	280	2	40	0	321
Winfield, MO (L25)	445	2	62	0	509
Alton, IL (L26)	589	10	125	0	724
Granite City, IL (L27)	579	9	125	0	714
Illinois River (L8)	120	2	58	0	180
Ohio River (L52)	26	6	9	0	41
Arkansas River (L1)	0	14	1	15	31
Weekly total - 2006	605	29	136	12	786
Weekly total - 2005	594	22	94	13	723
2006 YTD[1]	16,477	786	3,850	436	21,549
2005 YTD	14,325	1,044	4,310	436	20,115
2006 as % of 2005 YTD	115	75	89	100	107
Last 4 weeks as % of 2005[2]	102	105	147	82	107
Total 2005	23,761	1,620	7,276	731	33,388

[1] Weekly total, YTD (year-to-date) and calendar year total includes Miss/27, Ohio/52, and Ark/1; "Other" refers to oats, barley, sorghum, and rye.

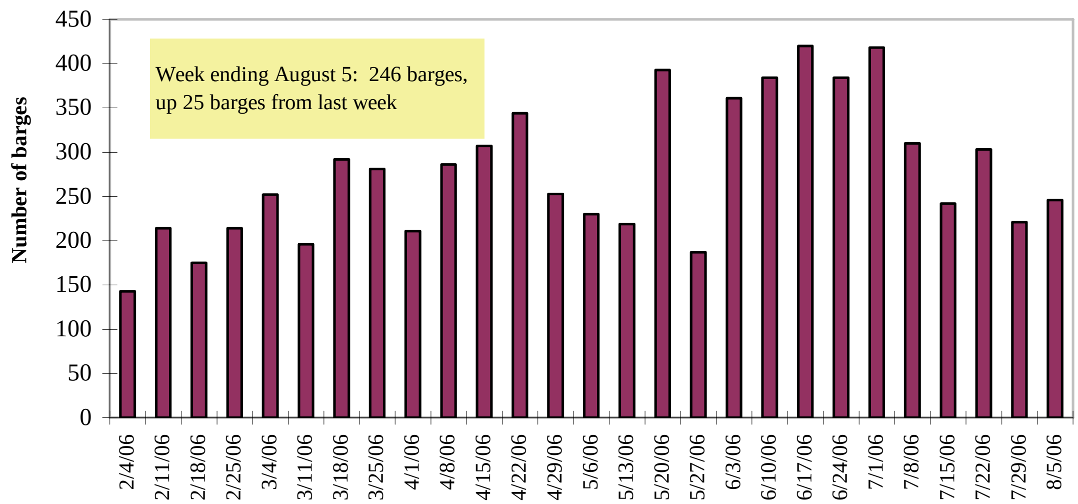
[2] As a percent of same period in 2005.

Note: Total may not add exactly, due to rounding

Source: U.S. Army Corps of Engineers (www.mvr.usace.army.mil/mvrimi/omni/webrpts/default.asp)

Figure 11

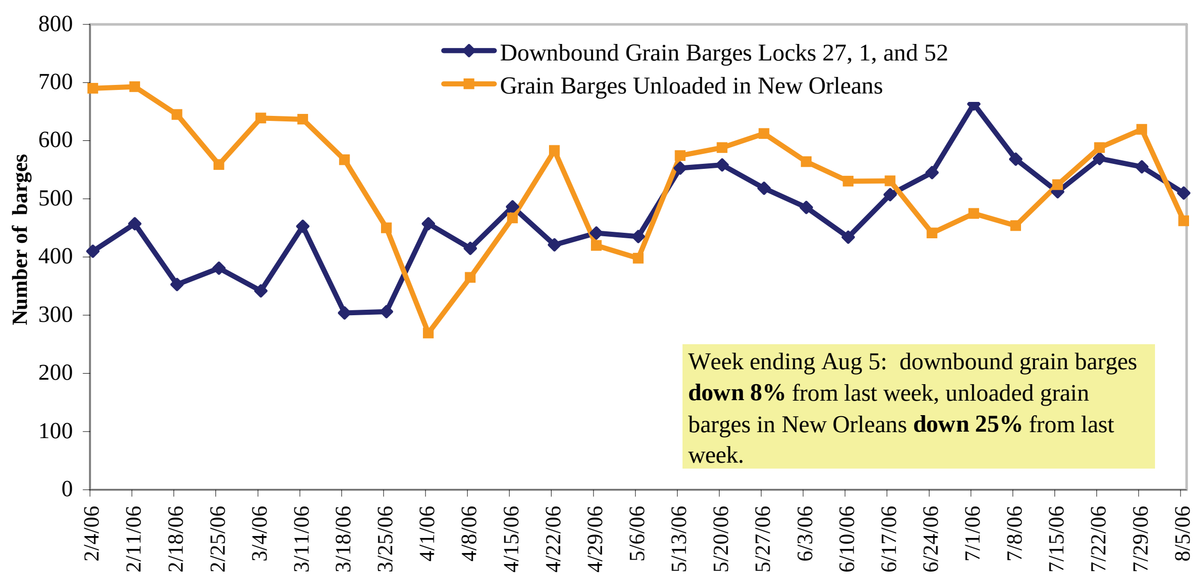
Upbound Empty Barges Transiting Mississippi River Lock 27



Source: Army Corps of Engineers

Figure 12

Grain Barges for Export in New Orleans Region



Source: Army Corps of Engineers and GIPSA

Truck Transportation

The **weekly diesel price** provides a proxy for trends in U.S. truck rates. Diesel fuel is a significant expense for truck grain movements, accounting for 37 percent of the estimated variable cost.

Table 11

Retail on-Highway Diesel Prices[1], Week Ending 8/07/06 (US$/gallon)

Region	Location	Price	Change from Week ago	Change from Year ago
I	East Coast	3.026	0.068	0.640
	New England	3.061	0.070	0.569
	Central Atlantic	3.104	0.074	0.620
	Lower Atlantic	2.989	0.065	0.655
II	Midwest[1]	3.070	0.082	0.734
III	Gulf Coast[2]	2.988	0.063	0.665
IV	Rocky Mountain	3.208	0.156	0.722
V	West Coast	3.113	0.047	0.312
	California	3.130	0.037	0.187
Total	U.S.	3.055	0.075	0.648

[1]Diesel fuel prices include all taxes.

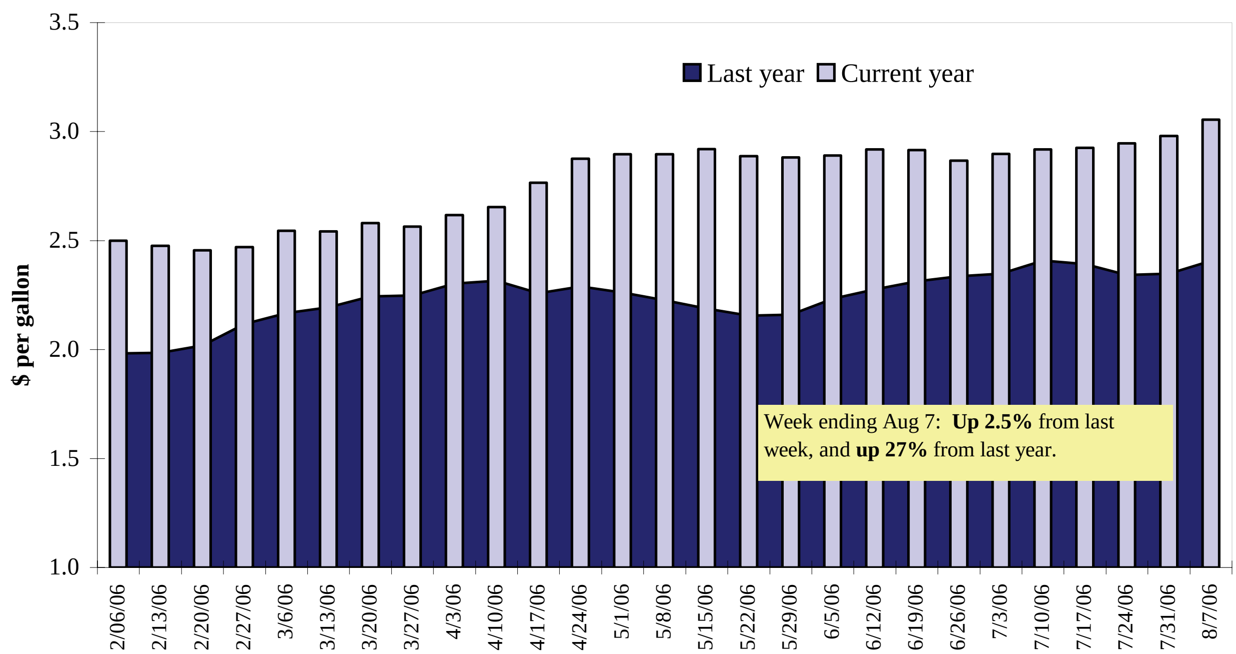
[2]Same as North Central

[3]Same as South Central

Source: Energy Information Administration/U.S. Department of Energy (www.eia.doe.gov)

Figure 13

Weekly Diesel Fuel Prices, U.S. Average



Source: Retail On-Highway Diesel Prices, Energy Information Administration, Dept. of Energy

Grain Exports

Table 12

U.S. Export Balances and Cumulative Exports (1,000 metric tons)

	Wheat						Corn	Soybeans	Total
Week ending[1]	HRW	SRW	HRS	SWW	DUR	All wheat			
Export Balances									
7/27/2006	965	511	1,086	763	287	3,612	7,114	1,842	12,568
This week year ago	2,181	308	1,266	674	142	4,569	4,498	999	10,066
Cumulative exports-crop year [2]									
2005/06 YTD	895	467	1,095	701	115	3,272	47,915	23,856	75,043
2004/05 YTD	1,476	372	1,202	347	130	3,527	41,375	29,196	74,098
YTD 2005/06 as % of 2004/05	61	126	91	202	88	93	116	82	101
Last 4 wks as % of same period 2004/05	46	160	81	106	197	77	172	197	131
2004/05 Total	9,407	3,217	8,083	4,773	686	26,117	44,953	29,878	100,948
2003/04 Total	12,697	3,785	6,928	4,895	1,053	29,359	47,704	24,108	101,171

[1] Current unshipped export sales to date

[2] Shipped export sales to date, new crop year now in efect for wheat

Note: YTD = year-to-date. Crop year: wheat = 6/01-5/31, corn & soybeans = 9/01-8/31

Source: Foreign Agricultural Service/USDA (www.fas.usda.gov)

Table 13

Top 5 Importers[1] of U.S. Corn

Week ending 07/27/06	**Total Commitments[2]**			**% change**	**Exports[3]**
	2006/07	**2005/06**	**2004/05**	**current CY**	
Crop Year (CY)	**Next CY**	**Current CY**	**Last CY**	**from last CY**	**2004/05**
		- 1,000 mt -			- 1,000 mt -
Japan	1,654	16,775	15,765	6	16,429
Mexico	372	7,048	5,882	20	6,278
Taiwan	89	5,193	4,610	13	4,690
Egypt	0	4,056	4,148	(2)	4,563
Korea	231	5,151	1,960	163	2,268
Top 5 importers	**2,346**	**38,223**	**32,364**	**18**	**32,143**
Total US corn export sales	**3,397**	**55,028**	**45,873**	**20**	
Top 5 importers' share of U.S. corn export sales	69%	69%	71%		
USDA forecast, July 2006	**54,610**	**53,340**	**46,078**	**16**	

(n) indicates negative number.

[1]Based on FAS 2004/05 Marketing Year Ranking Reports - www.fas.usda.gov; Marketing year = Sep 1 - Aug 31.

[2]Cumulative Exports (shipped) + Outstanding Sales (unshipped); FAS Weekly Export Sales Report.

[3] FAS Marketing Year Final Reports - www.fas.usda.gov/export-sales/myfi_rpt.htm.

Table 14

Top 5 Importers[1] of U.S. Soybeans

Week ending 07/27/06	Total Commitments[2]			% change	Exports[3]
	2006/07	2005/06	2004/05	current CY	
Crop Year (CY)	Next CY	Current CY	Last CY	from last CY	2004/05
		- 1,000 mt -			- 1,000 mt -
China	1,923	9,754	11,851	(18)	11,850
Mexico	101	3,592	3,457	4	3,579
Japan	410	3,082	3,184	(3)	3,289
Taiwan	46	1,884	1,520	24	1,585
Indonesia	0	1,202	958	25	1,079
Top 5 importers	**2,480**	**19,513**	**20,970**	(7)	**21,382**
Total US soybean export sales	**3,483**	**25,697**	**30,195**	**(15)**	
Top 5 importers' share of U.S. soybean export sales	71%	76%	69%		
USDA forecast, July 2006	**29,670**	**24,630**	**30,019**	**(18)**	

(n) indicates negative number.

[1]Based on FAS 2004/05 Marketing Year Ranking Reports - www.fas.usda.gov; Marketing year = Sep 1 - Aug 31.

[2]Cumulative Exports (shipped) + Outstanding Sales (unshipped).

[3] FAS Marketing Year Final Reports - www.fas.usda.gov/export-sales/myfi_rpt.htm.

Table 15

Top 10 Importers[1] of All U.S. Wheat

Week ending 07/27/06	Total Commitments[2]		% change	Exports[3]
	2006/07	2005/06	current CY	
Crop Year (CY)	Current CY	Last CY	from last CY	2005/06
	- 1,000 mt -			- 1,000 mt -
Nigeria	796	1,257	(37)	3,098
Japan	981	954	3	3,061
Mexico	737	794	(7)	2,625
Iraq	0	382	(100)	1,237
Philippines	851	450	89	1,878
Egypt	466	349	34	1,952
Korea, South	334	370	(10)	1,191
Venezuela	248	212	17	1,085
Taiwan	240	227	5	953
Italy	233	236	(1)	748
Top 10 importers	**4,090**	**3,974**	**3**	**17,827**
Total US wheat export sales	**6,884**	**7,234**	**(5)**	
Top 10 importers' share of U.S. wheat export sales	59%	55%		
USDA forecast, July 2006	**24,490**	**27,325**	**(10)**	

(n) indicates negative number.

[1]Based on FAS 2005/06 Marketing Year Ranking Reports - www.fas.usda.gov; Marketing year = Jun 1 - May 31.

[2]Cumulative Exports (shipped) + Outstanding Sales (unshipped); FAS Weekly Export Sales Report.

[3] FAS Marketing Year Final Reports - www.fas.usda.gov/export-sales/myfi_rpt.htm.

Table 16

Grain Inspections for Export by U.S. Port Region (1,000 metric tons)

Port regions	Week ending 08/03/06	2006 YTD[1]	2005 YTD[1]	2006 YTD as % of 2005 YTD	Last 4-weeks as % of 2005	Last 4-weeks as % of 3-yr. avg.	Total[1] 2005
Pacific Northwest							
Wheat	155	6,442	5,940	108	91	86	10,801
Corn	202	6,264	6,210	101	103	126	10,130
Soybeans	201	2,888	3,417	85	759	609	6,225
Total	**558**	**15,595**	**15,568**	**100**	**117**	**126**	**27,156**
Mississippi Gulf							
Wheat	120	2,441	3,239	75	61	47	4,643
Corn	865	21,379	16,586	129	129	133	28,202
Soybeans	174	8,081	8,546	95	195	173	14,793
Total	**1,159**	**31,902**	**28,371**	**112**	**125**	**121**	**47,638**
Texas Gulf							
Wheat	150	3,598	4,008	90	52	63	7,743
Corn	26	1,403	308	455	2,402	3,704	812
Soybeans	0	27	6	470	n/a	549	36
Total	**176**	**5,028**	**4,322**	**116**	**73**	**89**	**8,591**
Great Lakes							
Wheat	21	654	931	70	76	80	2,067
Corn	74	904	265	341	812	508	796
Soybeans	0	38	27	140	n/a	0	828
Total	**95**	**1,597**	**1,224**	**130**	**227**	**205**	**3,691**
Atlantic							
Wheat	57	293	111	264	649	328	301
Corn	25	415	54	772	1,261	2,943	249
Soybeans	0	298	419	71	n/a	546	801
Total	**82**	**1,007**	**584**	**173**	**829**	**546**	**1,352**
U.S. total from ports[2]							
Wheat	503	13,429	14,230	94	72	70	25,556
Corn	1,192	30,366	23,424	130	135	145	40,189
Soybeans	375	11,334	12,414	91	270	234	22,683
Total	**2,070**	**55,128**	**50,069**	**110**	**121**	**123**	**88,428**

[1] Includes weekly revisions

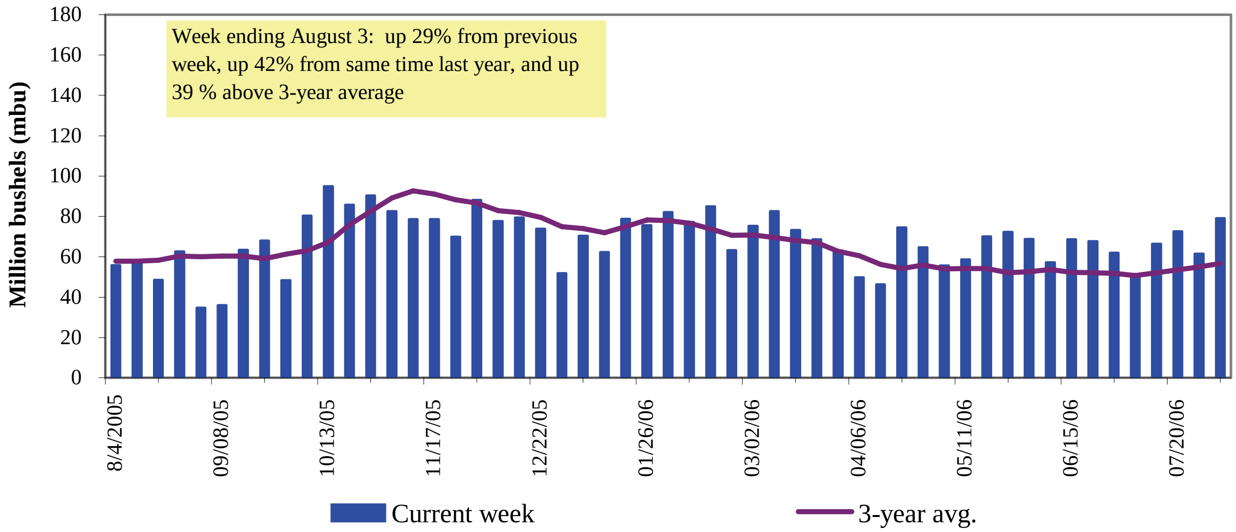
[2] Total includes only port regions shown above

Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov); YTD= year-to-date; n/a = not applicable

The United States exports approximately one-quarter of the grain it produces. On average, it includes nearly 45 percent of U.S.-grown wheat, 35 percent of U.S.-grown soybeans, and 20 percent of the U.S.-grown corn. Approximately 49 percent of these U.S. export grain shipments departed through the Mississippi Gulf region in 2005.

Figure 14

U.S. grain inspected for export (wheat, corn, and soybeans)

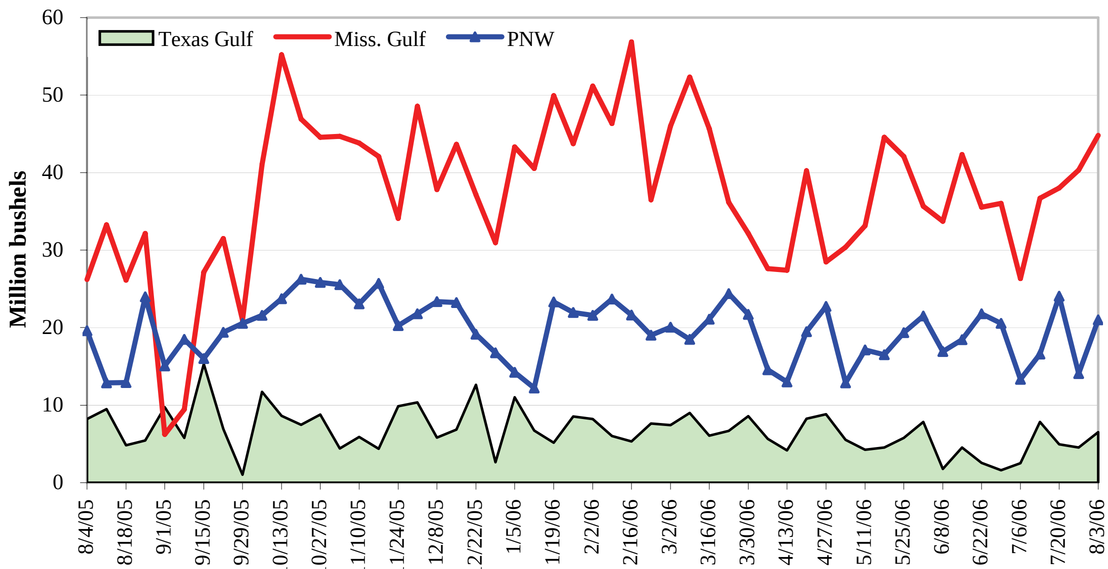


Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov)

Note: 3-year average consists of 4-week running average

Figure 15

Weekly U.S. Grain Inspections: U.S. Gulf and PNW (wheat, corn, and soybeans)



Source: Grain Inspection, Packers and Stockyards Administration/USDA (www.gipsa.usda.gov)

Aug. 3, % change from:	MS Gulf	TX Gulf	U.S. Gulf	PNW
Last week	up 11	up 44	up 14	up 49
Last year (same week)	up 71	down 20	up 49	up 7
3-yr avg. (4-wk run. avg)	up 36	down 3	up 29	up 40

Ocean Transportation

Table 17

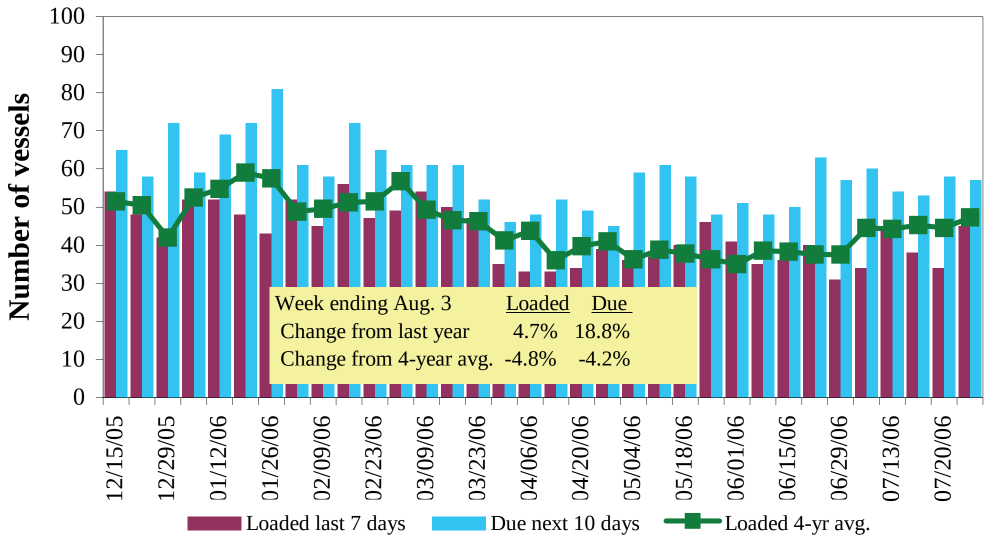
Weekly Port Region Grain Ocean Vessel Activity (number of vessels)

	Gulf			Pacific Northwest	Vancouver B.C.
Date	In port	Loaded 7-days	Due next 10-days	In port	In port
8/3/2006	27	45	57	6	3
7/27/2006	34	34	58	3	6
2005 range	(11..57)	(10..56)	(18..76)	(2..16)	(0..17)
2005 avg.	27	39	53	9	7

Source: Transportation & Marketing Programs/AMS/USDA

Figure 16

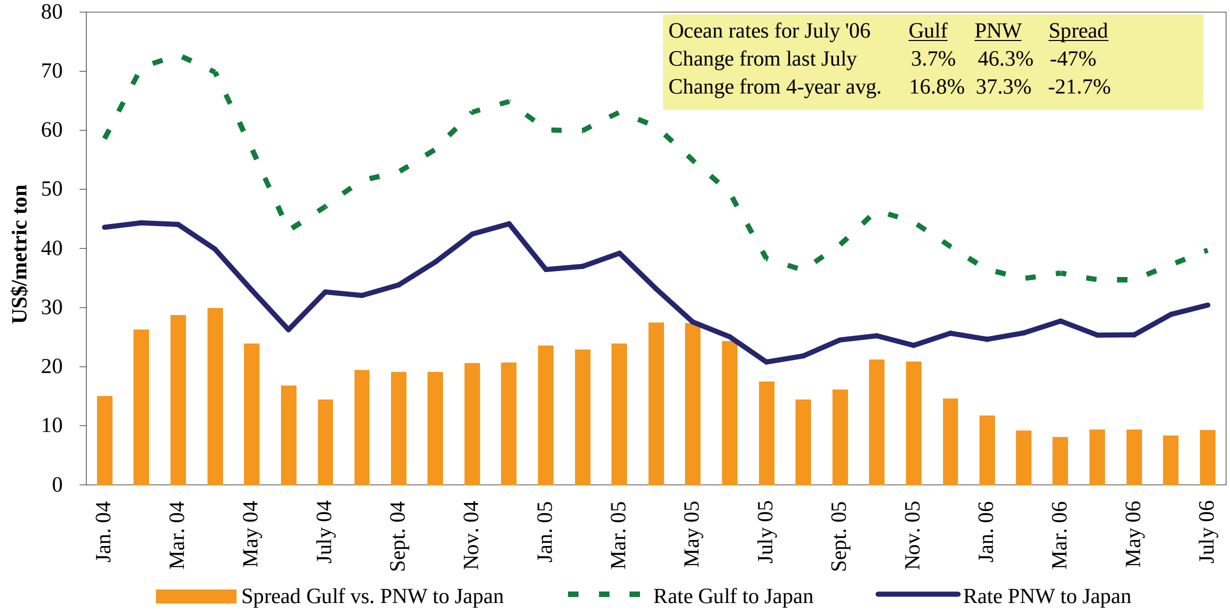
U.S. Gulf[1] Vessel Loading Activity, 2005/06



Source:Transportation & Marketing Programs/AMS/USDA

[1]U.S. Gulf includes Mississippi, Texas, and East Gulf.

Figure 17
Grain Vessel Rates, U.S. to Japan



Source: Baltic Exchange (www.balticexchange.com)

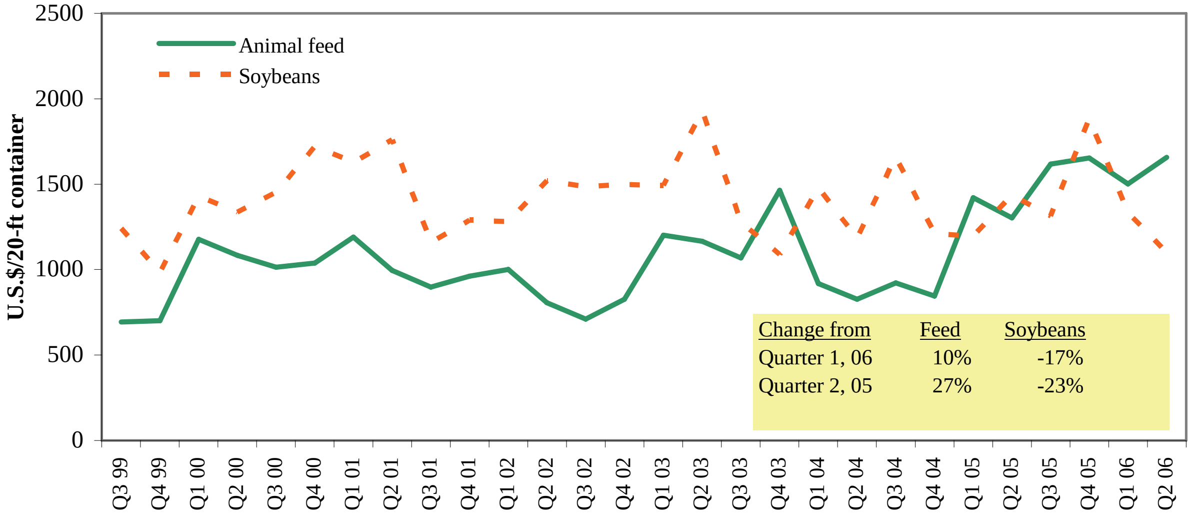
Table 18
Ocean Freight Rates For Selected Shipments, Week Ending 8/05/06

Export region	Import region	Grain types	Loading date	Volume loads (metric tons)	Freight rate (US$/metric ton)
U.S. Gulf	South Korea	Hvy Grain	Jul 5/10	55,000	36.00
U.S. Gulf	Honduras	Soybean Meal	Jul 5/15	10,000	83.01
Ukraine	Morocco	Hvy Grain	Jun 19/26	20,000	20.00
Gt Lakes/St. Lawrence	Jordan[1]	Wheat	Jun 15/30	22,709	54.50
River Plate	Algeria	Hvy Grain	Jun 20/30	20,000	44.75
River Plate	Algeria	Hvy Grain	July 28/30	25,000	41.50
River Plate	Poland	Hvy Grain	Aug 1/ 10	30,000	44.00

Rates shown are for metric ton (2,204.62 lbs. = 1 metric ton), F.O.B., except where otherwise indicates; op = option
[1]75 percent of food aid from the United States is required to be shipped on U.S. flag vessels. The vessels are limited in availability resulting in higher rates. In addition, destinations receiving food aid generally lack adequate port unloading facilities, requiring the vessel to remain in port for a longer duration than normal.
Source: Maritime Research Inc. (www.maritime-research.com)

Figure 18

Ocean Rates[1] for Containerized Shipments to Selected Asian Countries



Change from	Feed	Soybeans
Quarter 1, 06	10%	-17%
Quarter 2, 05	27%	-23%

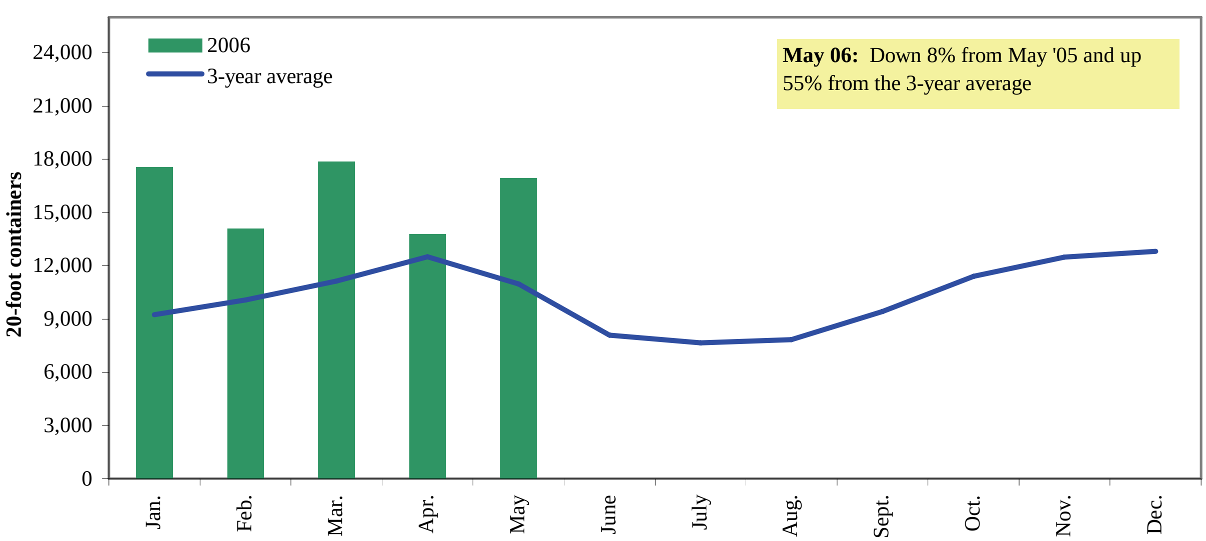
[1]Rates are weighted by shipping line market share and destination country.
Countries include: Animal Feed: Busan-Korea (11%), Kaohsiung-Taiwan (32%), Tokyo-Japan (33%), Hong Kong (15%), Bangkok-Thailand (9%) and soybeans: Busan-Korea (1%), Kaohsiung-Taiwan (83%), Tokyo-Japan (12%), Bangkok-Thailand (3%), Hong Kong (1%)
Source: Ocean Rate Bulletin, Quarter 2, 2006, Transportation & Marketing Programs/AMS/USDA

Container ocean freight rates – average rate per twenty-foot equivalent unit (TEU) weighted by shipping line market share and trade route.

During 2005, containers were used to transport 4 percent of total U.S. grain exported, and 5 percent of total U.S. grain exported to Asia.

Figure 19

Monthly Shipments of Containerized Grain to Asia



Source: Port Import Export Reporting Service (PIERS), *Journal of Commerce*

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